

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

924A0455

HOUSE BILL NO. 1067

Introduced by: Representative Broderick and Senator Munson (David)

1 FOR AN ACT ENTITLED, An Act to revise the period of time a bank is allowed to hold
2 overdrafts as an asset.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 51A-4-21 be amended to read as follows:

5 51A-4-21. Any debt due to any bank on which the interest is past due and unpaid for a period
6 of six months unless the debt is well secured or in process of collection, shall be considered a bad
7 debt and be charged to the reserve for loan and lease losses. In no case may an overdraft of more
8 ~~than sixty calendar days standing be allowed as an asset of any bank~~ be held as an asset by any
9 bank for a period of time longer than that set by the rules of the commission.